

SW

## Bond Release Findings

**Mine Name:** Duke  
**Operator:** Ridgepoint Mining Company  
100 NW 2<sup>nd</sup> St.  
Evansville, Indiana 47708

**I.D. No.:** S0370096  
**Mineral Ownership:** SITLA  
**Surface Ownership:** SITLA  
**Permit Term:** Originally permitted in 1997

**Disturbed Area:** 5 acres

**Regraded:** None

**Reseeded:** None

**Acres Bonded:** None

**Acres Proposed for Release:** 5 acres

**Acres Recommended for Release:** None

### Surety

**Amount:** No surety held for this site.

**Form:** N/A

**Amount Proposed for Release:** N/A

**Amount Recommended for Released:** N/A

**Amount Remaining:** N/A

### **Setting and Premining Environment**

The site is next to Hatch Rock in San Juan county northwest of Monticello. Hatch Rock is a large sandstone outcrop, and a few people have built houses in and immediately adjacent to the rock. The mine area is flat, soils are sandy, and the premining vegetation was largely fourwing saltbush, Indian ricegrass, and needle and thread grass.

### **Operations**

The operator had planned to process sand to extract gold and at one time had windrowed some material for this purpose. The frac tank (water storage tank) was to be used to supply water for the extraction process. I do not know whether any processing was ever done, but if it did happen, the operation was very limited.

### **Hole Plugging**

There were no exploration holes. The only hole drilled was for a water well.

According to an agreement in the release application, the water well was sold to the surface lessees, but no evidence was provided that the water right was transferred. In most cases where a water well is drilled on SITLA land, SITLA retains the well and water right.

### **Reclamation**

The operator performed no reclamation. The site was left with windrows created for the mining operation, and the site, including the windrows, is being used by the residents of Hatch Rock as a race track. There is some vegetation, but the amount is limited.

According to Will Stokes with the Trust Lands Administration, the surface lessee, Rockland Corporation, holds a modified grazing permit, and the postmining land use should be for raising alfalfa.

### Mine Engineering

There are no public safety concerns. The site is flat with no highwalls or cuts.

The operator brought a frac tank to the site, and according to information submitted with the release request, this tank has been sold to the lessees. The tank could be used to store water for irrigation, so it does appear to be useful

for irrigating cropland (alfalfa).

There are no roads or any other facilities.

Because of the windrows, the site is not conducive to a cropland postmining land use, but, if planted, it could be used for grazing.

**Hydrology**

The site is flat and contains no drainage channels. There are no signs of erosion, and no erosion is expected. There are no impounding structures.

**Revegetation**

The operator has not attempted to establish vegetation, and the site has not been graded to where it can be used for growing alfalfa. The windrows do not allow harvesting equipment to operate efficiently. It could be used for grazing if suitable vegetation was established.

**Recommendation**

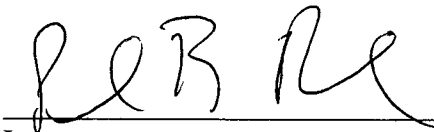
I recommend that release be denied at this time. The operator did not regrade the site so it can be used for an agricultural postmining land use, and no attempt was made to establish native or other vegetation so the site could be used for grazing.

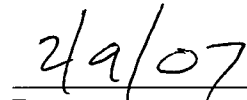
Before the Division releases the site, the operator needs to provide evidence that it owns (or owned) the water right and that the water right was transferred with the sale of the water well. In most cases, SITLA would retain ownership of an improvement of this nature, and they would need to approve retention of the well.

On December 22, 2006, I received the following electronic mail message from Will Stokes with SITLA:

Those lands have been re-leased by someone who wants to continue the mineral development there. I am going to have them accept the current disturbance under there [sic] mine plan.

I recommend that the operator be given a deadline by which a permit transfer application is submitted, the site is reclaimed, or a reclamation surety is posted.

  
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Inspector

  
\_\_\_\_\_  
Date